

Local Government reorganisation

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The question is often posed in discussion about local government reorganisation - "Was it necessary? Would it not have been in the interest to restructure the existing authorities rather than go through the monumental task of introducing an entirely new system?"

The question is a fair one and, for those who have been through the trauma of reorganisation, the temptation is there to introduce a little scepticism. However, to obtain an answer to the question it is necessary to examine the importance of local democracy in the governmental system of the country. It is interesting to note that the remit given to Lord Williams and his Royal Commission on Local Government stated "the need to sustain a viable system of local democracy" - which he defined "as a form of government in which the supreme power is vested in the community collectively and is administered by them or by representatives appointed by them".

What constitutes a viable system of local democracy is of course a matter of judgement and experienced observers for long enough have identified that local government was a less effective force in the community, no longer held in high esteem and somehow ill-equipped to discharge its responsibilities. It is almost impossible to be certain of the initial reasons underlying this loss of confidence; what is certain, however, is that central and local government alike contributed in large measure to the situation which compelled the Royal Commission to open its report with the words: "Something is seriously wrong with local government in Scotland".

Since the end of the Second World War, central government had adopted a centralist approach to the provision of major public services and progressively new sections of the service had been created out of former local government responsibilities. Trunk Roads 1946; the hospital service 1947; Electricity 1947; Gas 1948; Water 1949; Harbours 1964. In its defence, central government will no doubt point to the additional responsibilities placed upon local authorities, the most significant being social work in 1968. It seems clear, however, that but for reorganisation this trend would have continued with passenger transport executives extended to the main centres of population and active consideration given to the creation of national police and education boards.

During this period when fundamental changes were affecting its role, local government for a variety of reasons now well recorded by Maud, Mallaby and Wheatley, continued to demonstrate its inability to argue the case for local democracy or to display the qualities of leadership and management to ensure its continued existence as an important part of the democratic system in the country. It is contended that far from being an unnecessary and wasteful exercise reorganisation was timely in preserving the opportunity for local people to remain involved in the issues which vitally affect their lives. The form that the scheme of reorganisation took will, of course, be subject to debate and discussion for some considerable time to come. Clearly, something had to be done and Lord Wheatley's solution was one way of doing it.

Parliament brought about a number of major changes to the Royal Commission's recommendations, none more so than the transfer of responsibility for housing from regional authorities to district authorities. Lord Wheatley had argued that it was essential to place housing in the same authority as education and social work, thus bringing the sensitive personal services together under one unified control. In the event, the parliamentarians concluded that without housing the district authorities would have too little responsibility having only local amenity services to control. The consequent danger being that public spirited people would not be disposed to serving on authorities with powers so limited. Parliament may have been right in its assessment of the willingness of people to serve but their action is at the root of much of the difficulty in the relationship between the two levels of authority. In time that single transfer of function may provide the most convincing argument against the two-level system of local government. It would be unfortunate if Lord Wheatley was left to carry the responsibility for failure.

Following the publication in 1971 of the White Paper on the Future of Local Government in Scotland an initiative was taken by the existing local authority associations to commission a study of the organisational problems and to provide guidance on organisation and management structures for consideration by the new authorities. This initiative led to the formation of the Paterson Committee and their report had a powerful impact on the new authorities which assumed executive control in May of 1975. The designers of the new system had a number of significant factors to take into account in advancing their recommendations.

First, the size of the new authorities. The largest authority under the old system was Glasgow Corporation. That authority was to be absorbed in part in the giant Strathclyde Region taking responsibility for half the population of Scotland and throughout the country the pattern was the same: size adding a new dimension to the problem of management and control.

Second, the transfer from central government to local government of the responsibility for the preparation of regional strategic plans, that is, responsibility for economic, social and physical plans for the regions. This transfer represented a considerable devolution of power to the new authorities and presented them with new political possibilities. In this, local government had for the first time an opportunity to play a part in identifying the needs of local people and articulating those needs in a logical and persuasive way to central government in the hope of influencing national policies.

Third, it was envisaged that the opportunities afforded to exert political influence would induce the national political parties to participate in local government to a greater extent than ever before. By tradition, the Labour Party had been active in local politics operating under the national party banner and were much in evidence throughout the central belt of Scotland. On the other hand, the Conservative Party had not actively pursued a place in local politics and indeed the national organisation deliberately avoided involvement. It would be interesting to know the effect, if any, this lack of involvement had in conditioning the attitude of the Government members during the committee stages of the Local Government Bill. In the event, the forecast of political involvement was remarkably accurate. The Conservative Party restructured the local party machine and fought the election in 1974 under the national party banner. The Scottish National and Liberal Parties' efforts at that time were sporadic not through lack of interest in local government but through a calculated judgement not to overstretch national resources at a critical time.

Fourth, the expressed view that local government administration had not kept pace with new developments in management and that by tradition the structure of local government was excessively departmentalised. There was an identified lack of co-ordination and control and inadequate efforts were being made to reconcile plans with the resources likely to be placed at the disposal of the elected members.

Quite obviously these factors had a profound effect on the recommendations made by the Paterson Committee to the new authorities. At Member level the recognition of a heightening of political activity conditioned the introduction of a Policy and Resources Committee at the centre of the member organisation designed to facilitate the formulation of policy and to effect the difficult task of reconciling the needs of the community with the resources available. The marshalling of needs into priority ranking had for long enough exposed the weakness of the traditional structure.

The principle of such a committee was readily accepted by all political parties and most individual members but the composition of the committee

stimulated a deal of controversy. The Paterson Committee recommended that the Policy and Resources Committee should consist solely of majority party members with suitable provision for keeping minority parties adequately informed. There is a strongly expressed contrary view which suggests that without the influencing voice of members of minority parties the single party policy committee is in danger of pursuing wholly partisan policies without regard to minority interests or minority views. The advocates of the single party system are clearly in the minority in Scotland as only Strathclyde and Lothian have adopted that approach, the other Regions having opted for a multi-party system. It is much too early to make an assessment of the relevance of these arguments but no doubt time will expose evidence for and against both systems.

The other committee arrangements follow more traditional and conventional lines with members organised on an all-party basis into functional committees representing the main functions of the authority. The administrative arrangements are geared to co-ordinate and control the provision of services to the public and are designed to assist members in the formulation of policy. It is not surprising therefore to find universal acceptance of a structure having at its centre the means to draw the many strands of service provision together. The concept as envisaged by Paterson of a cohesive team with an acknowledged leader working to a common set of objectives has been implemented in both regional and district authorities.

The significance of the changes introduced on reorganisation has been obscured by the national economic climate and the unprecedented rates burden placed upon ratepayers coincident with the emergence of the new authorities. In the twelve months since reorganisation judgements have been distorted by a financial climate only partly of the new authorities' own making and very little account has been taken of the logistical problems encountered in creating some 65 new out of the 430 old authorities. Certainly, much of the criticism is unfair and ill founded, but the fact remains that the new authorities are operating in a climate which suggests that something is still wrong with local government. It is obvious that time is not on the side of members and officials to restore public confidence in local democracy. Perhaps it is not so much change but the speed of change which has created the crisis.

There is much in the achievements of the past twelve months to encourage the advocates of change and to provide political scientists with a rewarding area of research into evolving political influences. The new planning system designed to change the emphasis from land use planning to a more comprehensive form of planning taking greater account of the political realities and the constraints on resources, although as yet only at the formative stage, has clearly indicated the potential for political influence. Until that potential is realised the influence exerted on national government by local government will be confined to initiatives taken by individual local councillors.

There is little evidence to suggest that government Ministers are any more willing now than they were in the past to take account of local

initiatives. The regional reports required under the new system of planning are seen to be the proper vehicles for the projection of regional political policies. It will be interesting to observe how regional authorities propose to deal with the main issues identified in their first reports. It is suggested that those Councils with clearly identified political objectives will tend to apply stronger pressure on central government than those not so organised. The example of Strathclyde and the major issue of Stonehouse New Town provides a clue to future influences arising out of a regional report.

Success in this field will depend largely on how quickly local government politicians respond to their new-found opportunities. It has been difficult for experienced councillors to adjust to new concepts of policy making and control and many have continued to be overly involved in the day to day management of the authority. This temptation to look inwards rather than outwards, especially by members of policy committees, will restrict the capacity of the new authorities to create a significant influencing role. There is more than a lingering doubt in the minds of many councillors that withdrawal from day to day management means giving up power to the officials. There are some encouraging moves in the right direction but there is little doubt that the majority have a long way to go before accepting completely Lord Wheatley's view that a councillor's responsibility is to make sure that the machine works, not to work it himself.

Although the Council is the supreme policy making body, the affairs of the authority are in the main conducted through the committee system and the introduction of a policy committee into an otherwise traditional structure of functional committees has posed many problems for councillors and officials. Those who are members of a policy committee are given responsibility for the formulation of policy and many would see themselves as members of a Cabinet; a group of natural leaders enjoying the confidence of their colleagues. In practice, the existence of functional committees and the fact that in most cases the policy committee is composed of chairmen of those committees tends to leave members of the policy committee less certain of themselves in major issues affecting their service. This can lead the member to assume a more defensive role than would otherwise be desirable in looking at the wider aspects of policy matters. Again the existence of a strong party group can curtail the activities of the natural leaders, thus discouraging them from moving rapidly forward in an innovative sense. Conversely, membership of a functional committee can be frustrating for the backbench member. Opportunities to contribute to the formulation of policy are limited and decisions on major issues appear to be made before the views of minority interests are properly considered. This series of complex relationships can result in suspicion and disharmony among members and between groups and can put at risk the difficult relationship between councillor and official.

There is no real parallel between the operation of local councils and the operation of parliament and to regard regional councils as mini-parliaments is hardly appropriate. Rather than attempt to create the image of parliament in local government, councillors must focus attention

on what the public and the media now regard as failures of representation and accountability and find solutions that organisationally place the elected member in a position to better represent the interests of his electoral area and at the same time honour his commitments to the wider community.

Prior to reorganisation much was written about corporate management and many councillors and officials waited to herald the new creed with the zeal of disciples. Unfortunately, quite disparate images were conjured up as to the form it might take and little was done to dispel the notion that the millennium would follow quickly in its wake. Whilst there would be no great disagreement with the concept of corporate management being the key to the development of more comprehensive and rational decision making, the practice is conditioned totally by the style of management adopted by the chief executive and his management team. As there were disparate images built in anticipation, so there will be differences in practice. People make systems work and any attempt to formalise a corporate management system is both dangerous and unrealistic. The requirement to develop a corporate style has presented difficulties for officials as acute as those for councillors. A lifetime of working in a highly departmentalised system cannot readily be cast aside to assume a wider role in the management of the authority's affairs. The primary loyalty towards the department can so easily conflict with the requirement to recognise and appreciate the other service needs, especially in a time of financial stringency.

The relationship between chief officers and members, especially Chairmen, places new demands on the integrity of the individual officer. On the one hand the chief officer is expected to enter into a partnership with his chairman in achieving political ambition, and at the same time he is expected to contribute to the reconciliation of plans with the resources likely to be made available - not necessarily compatible objectives. Likewise, the chief executive as leader of the team and members of the Executive Office in support of the chief executive are required to maintain a careful balance within the team and also between the service departments and the centre. This need to counter balance is of fundamental importance in allaying the natural antipathy of elected members towards the activities of the management team.

The relationship, or more accurately the disputes, between the regions and the districts have captured the attention of the media and have tended to call in question the capacity of elected members to work in harmony with each other. These disputes have centred mainly around the so-called concurrent functions and no doubt objective observers find grounds for criticism of local government. However, the responsibility for this unfortunate arrangement must be assumed by the central government designers of the Local Government (Scotland) Act of 1973. It could only fall to someone so remote from reality and thus totally ignorant of the consequences to place a duty on one authority and a power on another. In practice the remaining pressure points on concurrent functions are mostly around the periphery of regional affairs and by definition away from the central area of decision making. The problems sometimes appear to be

intractable but the effect on the provision of major services is minimal and could be regarded as more of a surface irritation than a terminal disease. There is an interdependence between regions and districts brought about by the requirement to work closely in the planning field and there are convincing arguments in favour of separating the strategic and the development planning roles. Undoubtedly this interdependence will bring the two levels of authority into conflict from time to time but it is suggested that the process of reconciliation may better serve the public interest.

It may be that 'tiers are tripe' as the Scotsman so delicately puts it. Time will tell and the earlier mention of the misplacement of responsibility for housing suggests that it may be sooner than later. However it is in the area of relations with central government that the greatest disappointment over reorganisation has arisen.

Lord Wheatley said - "From the practical point of view we have come to the conclusion that the kinds of control exercised by central government have in total a damaging effect on the independence and initiative of local authorities. We do not see how this situation can go on without casting doubt on the value of local government as an institution. For this reason we have been at pains to create a structure in which local government can be much stronger and in which its working relationship with central government can be altogether different from what it is now". That is still the practical point of view but if anything central government has tightened its grip on local government. It may be that the parlous state of the national economy requires exceptional discipline on the part of the public service but it is unfortunate that central government has chosen to act unilaterally in controlling the level of expenditure. Undoubtedly there is confusion between central and local government over the role each has to play in the control of local government spending. It is axiomatic that central government includes the costs of local services in its financial plans but rarely, if ever, is local government afforded the opportunity to contribute at the planning stage. As a result local government is constantly left on the receiving end of policies which through experience they know to be impractical to implement. Central government is often driven to the mistaken conclusion that local government is incapable of putting its house in order. The difficulty is compounded by the tendency on the part of central government to underestimate the resource implications of new legislation. This uncertainty over responsibility has led central government to intervene more and more in setting standards for local government and in controlling spending programmes. A continuation of the policy of intervention would question the relevance of an elaborate two level structure designed to safeguard local democracy.

It falls to central government to control the share of the nation's resources devoted to the public service and local government can offer no challenge to that responsibility. It is at the next stage of resource planning that scope exists for a new arrangement to provide local government with the sought after opportunities to use local initiative and to hold themselves accountable to the electorate. The expectation within local government was one of an emerging and rewarding partnership, each contributing

skills, and knowledge to the greater benefit of the public service. Alas, not so. Local government was publicly reprimanded by government and left exposed to the rates furor in 1975, some of which was caused by changes in government grant policy and much of it by inflation and inescapable inherited commitments. Local government deeply resented the public hostility fanned by those reprimands and it will take time and effort to build the new relationship so earnestly desired by local government. Perhaps the Layfield report on local government finance will provide the focus in the search for a new solution.

If Ministers and senior civil servants genuinely desire to co-operate, and there are signs that they do, more deliberate attempts must be made to develop the partnership concept to the stage where those who are planning are in close contact with those who are required to implement. It is a valid criticism of the present arrangement that senior civil servants have little or no experience of the management of services and conversely senior local government officials have little knowledge or experience of national planning systems. A new forum for the exchange of experience is required in addition to the two way channel which exists between central government and the Convention of Scottish Local Authorities.

Mention of the Convention highlights one of the outstanding achievements in Scottish local government and a credit to the judgement and good sense of regional and district councils throughout Scotland. The creation of a single association dedicated to providing a focal point for the discussion of matters affecting local government strengthens the authority of the service as a whole. The challenge has been taken up but it will be some time before the full potential of the Convention as an instrument of influence is realised. Members and officers of the constituent authorities must recognise the need to devote more effort and resource to the achievement of the accepted aims. The secretariat must be provided with a research capability equal to the task of equipping the members to safeguard the interests of local democracy. The Convention must be effective and seen to be the natural counterbalance to the influence of the proposed Scottish Assembly.

And what of the future? Scotland is confronted with the prospect of an elected assembly having responsibility for legislation devolved from Westminster and the question does arise as to the future place of local government following that arrangement. The main argument supporting devolution is one of allowing the Scottish people a greater say over affairs which vitally affect their lives. The same argument has been used to defend local democracy and the three levels adopted - region, district and community councils - are designed to ensure that government does not become remote from the people it seeks to serve. Those principles are in line with current thinking at the grass roots and it is important that they be upheld when the relationship between the Assembly and local government is worked out. Arguments are being advanced in favour of the Assembly assuming certain executive responsibilities in addition to the legislative role it will be required to perform. The centralist approach is attractive to those who see the transfer of the major local government functions to the

Assembly as a neat way of removing a heavy financial burden currently placed on ratepayers. Also in a simplistic way the manoeuvre is regarded as doubly attractive in that conveniently it appears to remove a tier of local government in the process. Lord Wheatley dealt convincingly with the case for a strong viable local government and it is no longer necessary to rehearse the argument in favour of its continued existence. The transfer of major local authority functions to the Assembly could be regarded as the antithesis of that argument. Experience suggests that in certain service areas e.g. social work and education, a constant striving for uniformity through imposed national standards, blunts initiative and sometimes misdirects resources away from those most in need. It is the defined role of local authorities to be the principal providers of service to the public and to be sensitive to the needs of local people. There is an added responsibility on regions to influence national policies through strategic plans.

This is a period of rapid change in Scotland and many of its great institutions are under challenge as never before. The relevance of local democracy, it seems, must again be part of that challenge. It may be however, that the issue will be settled by the electorate themselves as there is no evidence to suggest that the people in Highland or Strathclyde will be any more prepared to accept local services from Edinburgh than they are to allow legislative arrangements to remain in Westminster.